

# **Minutes of the Small Business Advocacy Council**

**March 29, 2007**

## **Present:**

**Anthony Gemma, Gem Plumbing**

**Bob Lafond, North Central Chamber of Commerce**

**Bud Violet, Ocean State BDA**

**Carmen Diaz-Jusino, CWE**

**Christine Grieco, RI DLT**

**Claudia X. Cornejo, Secretary of State's Office**

**Darlene Evans, South Kingstown Chamber of Commerce**

**David Lucier, Lucier CPA**

**Don Nokes, NetC Energy**

**Doug Jobling, RISBDC**

**Ed Greene, Sage Business Solutions**

**Ed Mazze, URI**

**George deTarnowsky, CRIDCO**

**Gip Cabral, Cabco Eng. Company**

**Herb Weiss, City of Pawtucket**

**Janet Raymond, Greater Providence Chamber of Commerce**

**Jerry Meyer, East Greenwich Chamber of Commerce**

**Jim Hurton, Narragansett Chamber of Commerce**

**Joe Cannon, Jr., CAS America**

**John Cronin, Johnson & Wales University**

**Katharine Flynn, RI EDC**

**Kyle A. Adamonis, Taco, Inc./RIBGH**

**Lauren Slocum, Central RI Chamber of Commerce**  
**Len Tinkoff, Corporate Performance Ptnrs Inc**  
**Linoa S. Lulli , Bryant Univ./ RIBGH**  
**Mark Hayward, SBA**  
**Mark S. Deion, Deion Associates & Strategies**  
**Marty Cooper, Sage Business Solutions**  
**Matt Stark, OHIC**  
**Phil Papoojian, Mereco/Sbane**  
**Ray Fogarty, Chaffee Center at Bryant Univ.**  
**Raymond R. Valley, VSB Consulting**  
**Rich Glucksman, Blue Cross& Blue Shield**  
**Sidwey Goldman, GreyLawn Foods Inc**  
**Tracy C. Baran, Partridge, Snow, & Hahn, LLP**  
**Victor Barros, Jr., RI EDC**  
**Lt. Governor Elizabeth Roberts**  
**Jennifer Wood, Office of the Lt. Governor**  
**Eli Zupnick, Office of the Lt. Governor**  
**Larkin Barker, Office of the Lt. Governor**

**Approval of December 14 Minutes**

**Motion made and seconded**

**Minutes unanimously approved**

**Comments of the Chair**

**The Lieutenant Governor introduces her staff who will be supporting the work of the SBAC.**

**Eli Zupnick and Vlad Ibarra – Policy Staff assigned to support the SBAC**

**Jennifer Wood – Chief of Policy, General Counsel**

**Larkin Barker – Press and Communications**

**The Lieutenant Governor reported her commitment to use the SBAC as a vehicle to ensure that government responds to and supports small business rather than presenting barriers. She reviewed her experiences in participating in the operation of a family-owned small business and in the health care field. She also discussed the importance of collaboration with the Secretary of State's office and the office of Health Insurance Commissioner in supporting small businesses in the state.**

### **Discussion of Member Surveys**

**A summary of member interviews was presented in the materials distributed. Highlights were discussed including ensuring focus and relevance of outside presentations to the Council, discussion of creating work groups to develop solutions to challenges facing small businesses, and discussion of altering schedule and meeting places to engage the participation of even more small business owners in**

**the work of the Council.**

## **Discussion of Meeting Schedules**

### **Proposals:**

**Option A – Status Quo – meet at 8:30 at EDC**

**Option B – Move all meetings to late afternoon at geographically diverse locations**

**Option C - Alternate between 8:30 am at EDC and late afternoon at small business locations around the state**

**Discussion:** Participants emphasized the importance of having a standardized meeting time. The request was made, and agreed with, to publish the schedule for the year so people can plan. Some people expressed support for morning meetings while others supported afternoon meetings. A fourth solution was discussed which was a hybrid: to have later afternoon meetings at diverse locations on a quarterly basis with specific focus on including small business owners who may not while retaining the standing meetings in the morning at the EDC. The Lieutenant Governor reflected that these discussions will be fully considered and that a meeting schedule will be established and circulated taking these expressed preferences into consideration. This will likely be a hybrid approach.

## **Legislative Agenda**

**The Lieutenant Governor introduces the convening of a Legislative Work Group and circulates a sign up list. The first meeting of the group is announced for April 9, 2007 at 8:30 am at the State House. All who sign up will be notified of the meeting time and place and are welcome to participate. It is noted that RI Business Group on Health has an online listing of bills relevant to business in the topical area of health.**

**Participants discuss the fact that not all “defensive” legislative issues (sales tax on newspaper ads is an example) are present on the list. The Lieutenant Governor encourages all participants to notify Eli Zupnick if there are additional issues and bills like that that should be added to the list for consideration and work by the Legislative Work Group.**

**There is a general discussion of the plethora of bills pending that are relevant to small business and health care – and the difficulty for business owners to penetrate the welter of bills each year at the General Assembly. The Lieutenant Governor holds out the Legislative Work Group as a partial solution to this problem. The Work Group will work through and analyze the relevant pending bills and make recommendations to the full Council as to whether to support, oppose or take no position on relevant pending legislation.**

**Participants also discuss the difficulties presented by the fire code**

**and other state regulations – example of Lombardi’s 1025 Club closing is given to illustrate the distress of small businesses surrounding both the health care issue and other regulatory issues like the fire code requirements. It is noted that the Legislative Work Group should track and analyze regulations as well as bills.**

**The suggestion was made that the SBAC host a meeting to discuss best practices for municipal authorities to assist small businesses in streamlining the processes that government imposes on small businesses.**

**The Small Business Summit was discussed as a helpful activity in support of small business, and ideas for follow up to that to inform government decision makers about the impact of laws and regulations on small businesses. Several participants commented on the importance of owners of small businesses going to the State House to testify even though it is time consuming. It is observed that even though time is the most precious resource of the small business owner it is a good investment of time to go to the State House and talk about direct impact on business owner. Other members of the Council disagree that each business owner needs to “go it alone” at the State House and argue in favor of sending representatives of small business community. Other business owners noted that it is sometimes impractical for some small business owners to go to the State House (i.e. restaurant owners).**

**The Lieutenant Governor responded from the perspective of a former legislator – both have a role, sending representatives is a good, and essential, strategy. But even more impactful is the testimony or phone call of an individual business owner to reach out directly to an elected official, particularly your own legislators from your district where the business is located or the business owner resides.**

**Participants reflected that small business owners put all their own equity on the line and are at great personal financial risk and that they are fully leveraged. It is important that steps are taken to communicate to the General Assembly these limits on the capacity of small business owners to make further capital investments and meet rising health care/health insurance costs.**

**The group discussed the importance of government communicating with the appropriate tone and attitude to those who appear before them, and the importance of having public agencies (state and municipal enforcement agencies) communicate in a less threatening manner to the small business owner. It is noted that people who are able to go to the State House to testify can carry the story of other individual business owners forward. They can testify about and give voice to the stories of other small business owners as well as speak to their own experiences.**

**It was also noted that there is a diverse cross section of small businesses in Rhode Island. The importance of working at the**

**“macro” policy level was acknowledged while it was also emphasized that it is important to get down to the micro level rather than focusing solely on the macro level policy issues (tax policy, fire code, health insurance). At the more granular level issues pertinent specifically to urban micro enterprise should be taken up. The need for policy discussions of the operational and capital challenges of the urban small businesses was discussed and it was emphasized that these concerns are somewhat different from those of other small businesses.**

## **Healthcare – Formation of the Small Business Health Coordinating Council**

**It was announced that the first meeting of the group will be April 16th at 8:30 am at the State House in Room 211.**

**It was discussed that pertinent to health care cost there are inefficiencies in the way the state purchases pharmaceuticals (for ACI and Slater Hospital for example) now and that this is the kind of thing that the group should be advocating for. Discussion was also engaged concerning the difficulties in administering employer based health insurance.**

**It was also noted that the Providence Chamber is surveying its members on health care/health insurance issues and may be ready to**



**share some insights at the meeting on April 16th.**

**The Lieutenant Governor pointed out that the purpose of the Health Coordinating Council will be for all to share the work of their own separate health focused work groups so that all can coordinate their efforts and have a greater impact through collective action. There was also discussion of the importance of coordinating with the federal delegation on this issue.**

**Discussion was held regarding the impact of the small business reform act and the small business community – including the community rating and selection issues.**

**Participants commented that we should look to Massachusetts to examine some health insurance solutions. The Lieutenant Governor informed the participants that a joint legislative study group to examine the Massachusetts insurance plan is being appointed by the General Assembly and that she will chair this group. This will be an important opportunity to learn from other New England states.**

**Some participants reported that they are investing 3/4 to 1 day per week on working on committees focused on solving the health care problem. It was noted that this is extremely time consuming. There was consensus that there is a need for a single group that coordinates all these various work groups. This new Coordinating Council should perhaps fill the role of being the one group that can**

**bring together all the necessary voices to reduce fragmentation of the policy and reform work in this area. There was consensus expressed that fragmentation is not a good thing – there are too many work groups with too many constituencies, they should be brought together for more coordinated action.**

**There was a discussion of the Coordinated Health Planning Council. This legislation was passed last year for Dept. of Health to address the structure of the health care delivery system but it was noted that this group is not focused on insurance coverage. Its deliberations will be very relevant but not exactly on point regarding the health insurance barriers for small business.**

### **Member Updates and Public Comment**

**It was recommended that a discussion be scheduled for a future meeting – access to credit and access to capital. Participants will be approached who can perhaps assist in framing this discussion at a future meeting of the Council.**

**It was recommended that the group focus on developing a “roadmap” for aspiring small business owners to know how to proceed in their own communities to be able to effectively navigate the municipal environment. It was discussed that some communities have such roadmaps and processes (Providence, Cranston and Pawtucket are mentioned as communities that are trying). It was noted that perhaps**

**this issue could be taken up at a future meeting. Some participants commented that resources such as Every Company Counts and EDC exist for those interested in starting up a business but it was also acknowledged that the breakdown often occurs at the municipal level.**

**It was announced that Every Company Counts will host an event on November 5, 2007 to provide information needed by those who would like to initiate a small business.**

**It was recommended that a discussion be scheduled of the impact of sales tax policy on small businesses. This issue will be taken up by the Legislative Work Group.**

**It was also recommended that the Council sponsor some discussions of the Malcolm Baldrige process that is available to all through federal funding. It was noted that more RI companies should be accessing this process and best practice sharing.**

**The Lieutenant Governor observed that the SBAC may serve as a clearinghouse for such exchange.**

**It was recommended that the Council take up the issue of Veteran Owned Small Businesses – another concern – and it was noted that a Veteran Owned Small Business Boot Camp is being conducted in the coming months.**

**The meeting was adjourned at 10:00 am.**